

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 7434

BILL NUMBER: HB 1656

NOTE PREPARED: Feb 19, 2003

BILL AMENDED: Feb 18, 2003

SUBJECT: Fish and Wildlife.

FIRST AUTHOR: Rep. Bischoff

FIRST SPONSOR:

BILL STATUS: 2nd Reading - 1st House

FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: (Amended) A) This bill requires the Department of Natural Resources to implement an automated point of sale hunting, fishing, and trapping licensing system. It provides for funding of the system. It provides for the bonding of an agent authorized to sell licenses until the earlier of the date the agent begins to offer licenses under the automated point of sale system or July 1, 2005. The bill also removes authority of the circuit court clerk to designate subagents to sell licenses.

B) The bill increases various fish and wildlife license and permit fees. It authorizes an annual field trial permit. The bill authorizes an annual permit for a person who charges a fee for providing nuisance wild animal control services to the public to take, kill, or capture a nuisance wild animal.

This bill makes conforming amendments. The bill repeals a statute that permits only agents who are not state employees to retain service fees. (The introduced version of this bill was prepared by the natural resources study committee.)

Effective Date: July 1, 2003; July 1, 2005.

Explanation of State Expenditures: *Provision A* - This provision establishes a Point-of-Sale system for dispensing hunting, fishing, and trapping licenses. The Department of Natural Resources estimates the cost of the system to be approximately \$5 M to initiate and run for three to five years. The provision proposes that no more than 25%, or \$4.9M, of the balance in the Lifetime Hunting and Fishing License Trust Fund be transferred to the Fish and Wildlife Fund for the purpose of implementing the Point-of-Sale system. This provision also designates the annual transfer of interest, plus 2.5% of the Lifetime Hunting and Fishing License Trust Fund, to the Fish and Wildlife Fund for the purpose of maintaining the Point-of-Sale system.

Actual transfers for FY 2001 and FY 2002 were \$461,514 and \$586,092, respectively. For FY 2003 it is estimated that \$425,953 will be transferred to the Fish and Wildlife Fund. However, the estimate does not take into account the \$4.9 M one-time transfer, after which the annual transfer should decrease. The Lifetime Hunting and Fishing License Trust Fund balance is \$19.5M as of October 31, 2002.

Explanation of State Revenues: (Revised) *Provision A* - This proposal could potentially lead to increased license sales as the system makes purchasing a license faster and more accessible.

The bill would allow DNR divisions that sell licenses to keep the \$0.75 service fee normally retained by independent license agents. A portion of this revenue would be diverted from the Fish and Wildlife Fund to other dedicated funds within the DNR, depending on the division that sells the license. This provision would not affect the amount of revenue received by the agency from the licenses sold.

Provision B - This provision raises the following fish and wildlife license and permit fees, except for the Nuisance Wild Animal Control Permit, which is a new fee. The following table lists the fees or permits, the current prices, the new prices, and the estimated additional revenues as provided by the Department of Natural Resources.

License or Permit	Current Price	New Price	Est. Additional Revenue
Commercial Fishing License	\$4 ea.	\$10 ea.	\$12,000
Charter Fishing Boat Operator	\$100 /yr.	\$125 /yr.	\$1,750
Bait Dealers License (Resident)	\$10 /yr.	\$30 /yr.	\$6,000
Fur Buyers License (Resident)	\$75 /yr.	\$100 /yr.	\$1,250
Fur Buyers License (Non-Resident)	\$125 /yr.	\$200 /yr.	\$1,100
Taxidermist License	\$15 /yr.	\$45 /yr.	\$15,000
Scientific Collector's License	\$10 /yr.	\$20 /yr.	\$1,200
Falconry License	\$60 /3yrs.	\$75 /3yrs.	\$1,200
Annual Field Trial Permit	\$0 /ea.	\$10 /ea.	\$0
Importation Permit	\$5 /ea.	\$15 /ea.	\$200
Wild Animal Possession Permit	\$10 one time	\$10 /yr.	\$750
Fish Stocking Permit	\$3 /ea.	\$15 /ea.	\$240
Nuisance Wild Animal Control Permit	\$0	\$15 /yr.	\$3,570
Private Shooting Preserve License	\$100 /yr.	\$120 /yr.	\$800
Total Revenue Generated			\$45,740

The fiscal impact of this provision is an estimated **\$45,740** additional revenue to be deposited in the Fish and Wildlife Fund.

Explanation of Local Expenditures: *Provision A* - Administrative costs for clerks of the circuit courts should decrease because the Point-of-Sale system will eliminate the need for reporting of licenses sold by them to the Department of Natural Resources.

Explanation of Local Revenues: (Revised) *Provision A* - This bill would no longer allow circuit court clerks to designate subagents to sell licenses. Currently, clerks may keep \$0.25 of the service fee retained when a subagent sells a license. However, this provision will have no fiscal impact as none of the circuit court clerks have subagents designated to sell licenses.

State Agencies Affected: Department of Natural Resources.

Local Agencies Affected: Clerks of Circuit Courts.

Information Sources: Department of Natural Resources.

Fiscal Analyst: Valerie Ruda, 317-232-9867